

SEP 9 1953

MEMORANDUM

DECLASSIFIED AND RELEASED BY
CENTRAL INTELLIGENCE AGENCY
SOURCE METHOD EXEMPTION 3B2B
NAZI WAR CRIMES DISCLOSURE ACT
DATE 2007

TO : Deputy Director (Plans)

**SUBJECT: Administrative Plan for Subsidy Phases
of SR Project AERODYNAMIC**

I. Objective

1. To provide for the exploitation and expansion of the anti-Soviet Ukrainian resistance movement for cold war and hot war purposes. The subsidy phases provide for grants to a Ukrainian newspaper for the purpose of attempting to unify the major Ukrainian groups and for grants to a political cadre school which will serve as a training center for political action agents for operations into the Ukrainian S. S. R.

II. Instrumentality

2. A Ukrainian newspaper is subsidized through AECASSOWARY/1 for the purpose of attempting to unify the various Ukrainian emigre groups in Western Europe. The newspaper is well established and has a good reputation within the Ukrainian emigration. Funds are introduced into the newspaper by AECASSOWARY/3, the principal indigenous agent, as contributions received by AECASSOWARY/1, from its members. The SR Field Case Officer makes suggestions concerning the editorial policy of the newspaper through the principal indigenous agent. The staff of the newspaper is unwitting.

3. AECASSOWARY/1 has arranged for the organization of a political cadre school as an additional function of an established university in the area. Funds for the operation of this school will be furnished by AECASSOWARY/1 from funds ostensibly contributed by its members. AECASSOWARY/3 will transmit the funds to a cleared representative of the university. The curriculum of the school will be approved by the SR Field Case Officer through AECASSOWARY/3.

III. Approval

SR Project was renewed on 30 January 1953
4. On 30 January 1953 the DCI authorized the renewal of the project and approved in principle the sum of for fiscal year 1953. Subsidy payments of for the newspaper and for the cadre school were included in the amount approved for the project. The estimated budget for fiscal year 1954 is of which is for subsidy payments.

IV. Administrative Plan

5. The attached Administrative Plan has the concurrence of the respective offices of interest and it is recommended for your approval.

15/
[] Chief
Project Administrative Planning Staff, DD/A

12/
[]
Project Officer

PAPS/DD/A/MGG:jdc
(3 September 1953)

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**AERODYNAMIC
Concurrence Sheet**

10/ []
SR Division

2 September 1953
Date

10/ []
Office of General Counsel

2 September 1953
Date

10/ []
Office of the Comptroller

2 September 1953
Date

10/ []
Security Office

2 September 1953
Date

10/ []
Staff C/SPB

2 September 1953
Date

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AERODYNAMIC
Administrative Plan

I. Funding

1. Funds shall be provided for this project on the basis of a budget prepared by the SR Division and concurred in by the Office of the Comptroller. This budget will be in accordance with the terms and conditions of the project approval.

2. Funds will be made available for the subsidy phases of this project on the basis of a field allotment to the Chief of Station on the request of the SR Field Case Officer supervising the project.

3. The Field Case Officer will transmit the funds to AECASSOWARY/3, the representative of AECASSOWARY/1, who shall receipt for the funds. The receipt will show date, payer, and the amount of funds received.

II. Organization

4. The representative of AECASSOWARY/1 who is used as a cutout for transmittal of funds to the newspaper and to the school, shall have an operational clearance.

5. The representative of the newspaper and the representative of the school to whom the cutout transmits the funds shall be appropriately cleared and shall be unwitting.

III. Operational Control

6. Operational control of the school will be maintained by the SR Field Case Officer through AECASSOWARY/1. AECASSOWARY/1 will achieve control through the placement of their cleared representatives in key positions in the school.

7. Operating control of the newspaper will be maintained by the SR Field Case Officer who suggests changes in the editorial policy of the newspaper through cleared representatives of AECASSOWARY/1.

IV. Accounting

8. The newspaper and the school shall each submit a monthly statement of cash receipts and disbursements. This report shall show the cash balance at the beginning and at the end of the period and shall classify cash receipts by source and disbursements by purpose of expenditure. Copies of these reports will be forwarded to SR and the Finance Division.

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V. Writeoff and Financial Control

9. All funds advanced for the subsidy phases of this project will be recorded as an allotment expenditure at the time the advance is made by the Agency.

10. The Authorized Certifying Officer is empowered to write off to expense all funds advanced for the subsidy phases of this project on the basis of receipts signed by a representative of AEGASSOWARY/1 showing the date, payer, and the amount of funds received.

11. At the time an advance is made memorandum control accounts will be established by the Finance Division reflecting the advance to the project. These advances shall be cleared from the memorandum control accounts upon receipt by the Finance Division of financial statements showing utilization of the funds provided and a statement from the SR Field Case Officer supervising the project that the funds have been expended for the purpose for which they were advanced and that the accomplishments of the group warrants continuing subsidy payments.

VI. Audit

12. The audit program for the project shall be determined and carried out in accordance with Agency regulations.

KUDARK

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for

/s/ Richard D. Helms

DD/P

30 September 1953

Date

APPROVED

/s/ Acting DD/A

21 September 1953

Date

AUTHORIZED

/s/ DD/P-ADMIN

10 September 1953

Date

RECOMMEND APPROVAL

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AERODYNAMIC

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FINANCIAL ANNEX

Breakdown of Costs - FY 1953

Personnel

1 writer (full-time))	@ \$5,000 ea.	\$7,510*	(\$415 per mo.)
1 translator-part-time writer)			
1 announcer-technician	@ \$4,000	2,996*	(\$334 " "
1 part-time clerk	@ \$2,500 annual salary	1,000*	(\$200 " "

Travel and Transport

Round-trips between New York and Washington

Equipment and Supplies

Adapting present facilities for studio office
Stationery
2 desks
2 swivel chairs
1 Ukrainian typewriter
1 English typewriter
1 field safe
2 desk lamps
Recording tapes
(standard 7.5 inches per second,
60 cycles, 6 reels each week
@ \$1.85 per reel)
1 / 2 Magnecord magnetic tape recorders
(with phones). Model PT63AH @ \$395
1 record player
Phonograph records (Ukrainian folk songs, etc)

Emergency Funds

*Deductions made for 3-month recruitment delay

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